

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 315

Introduced by Assembly Member De Leon

February 18, 2009

An act to ~~amend Section 8222 of~~ *add Section 8222.2 to* the Education Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 315, as amended, De Leon. Child care and development services: alternative payment programs.

The Child Care and Development Services Act, administered by the State Department of Education, requires the Superintendent of Public Instruction to administer child care and development programs, ~~which~~ *that* offer a full range of services for *eligible* children from infancy to 13 years of age ~~who are eligible for services~~. The act authorizes funds appropriated for purposes of the act to be used for alternative payment programs to allow for maximum parental choice.

This bill would ~~make technical, nonsubstantive changes to those provisions~~ *require the department to adopt regulations to establish guidelines for alternative payment programs on specified matters, including timeliness of payment to child care providers.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

1 **SECTION 1.** *It is the Legislature's intent to:*

1 (a) Eliminate late and inaccurate payments to child care
2 providers.

3 (b) Eliminate ambiguities that have led to changing guidelines.

4 (c) Eliminate insufficient communication about policies, and
5 the lack of a system that addresses child care provider payment
6 problems that has led to more experienced, quality providers
7 choosing not to accept subsidized children, thereby reducing
8 parental choice and availability of care for families relying on the
9 subsidized child care system.

10 (d) Create a uniform and timely system of payments to child
11 care providers by providing clear and consistent directives for
12 alternative payment programs.

13 SEC. 2. Section 8222.2 is added to the Education Code, to
14 read:

15 8222.2. The department shall adopt regulations to establish
16 guidelines for alternative payment programs on all of the
17 following:

18 (a) Timeliness of payments to child care providers.

19 (b) Due process and complaint process.

20 (c) Filling out time sheets.

21 (d) Manner of issuing payments to child care providers, and
22 whether an alternative payment program may issue a single check
23 for multiple children.

24 (e) Timeliness of notice to providers when a child is no longer
25 eligible to receive subsidies.

26 (f) Administrative recourse and penalties for late payments to
27 child care providers.

28 SECTION 1. Section 8222 of the Education Code is amended
29 to read:

30 ~~8222. (a) Payments made by alternative payment programs~~
31 ~~shall not exceed the applicable market rate ceiling. Alternative~~
32 ~~payment programs may expend more than the standard~~
33 ~~reimbursement rate for a particular child. However, the aggregate~~
34 ~~payments for services purchased by the agency during the contract~~
35 ~~year shall not exceed the assigned reimbursable amount as~~
36 ~~established by the contract for the year. An agency shall not make~~
37 ~~payments in excess of the rate charged to full-cost families. This~~
38 ~~section does not preclude alternative payment programs from using~~
39 ~~the average daily enrollment adjustment factor for children with~~
40 ~~exceptional needs as provided in Section 8265.5.~~

1 ~~(b) Alternative payment programs shall reimburse licensed child~~
2 ~~care providers in accordance with a biennial market rate survey~~
3 ~~pursuant to Section 8447, at a rate not to exceed the ceilings~~
4 ~~established pursuant to Section 8357.~~

5 ~~(c) An alternative payment program shall reimburse a licensed~~
6 ~~provider for child care of a subsidized child based on the rate~~
7 ~~charged by the provider to nonsubsidized families, if any, for the~~
8 ~~same services, or the rates established by the provider for~~
9 ~~prospective nonsubsidized families. A licensed child care provider~~
10 ~~shall submit to the alternative payment program a copy of the~~
11 ~~provider's rate sheet listing the rates charged and the provider's~~
12 ~~discount or scholarship policies, if any, along with a statement~~
13 ~~signed by the provider confirming that the rates charged for a~~
14 ~~subsidized child are equal to or less than the rates charged for a~~
15 ~~nonsubsidized child.~~

16 ~~(d) An alternative payment program shall maintain a copy of~~
17 ~~the rate sheet and the confirmation statement.~~

18 ~~(e) A licensed child care provider shall submit to the local~~
19 ~~resource and referral agency a copy of the provider's rate sheet~~
20 ~~listing rates charged, and the provider's discount or scholarship~~
21 ~~policies, if any, and shall self-certify that the information is correct.~~

22 ~~(f) Each licensed child care provider may alter rate levels for~~
23 ~~subsidized children once per year and shall provide the alternative~~
24 ~~payment program and resource and referral agency with the updated~~
25 ~~information pursuant to subdivisions (c) and (e), to reflect any~~
26 ~~changes.~~

27 ~~(g) A licensed child care provider shall post in a prominent~~
28 ~~location adjacent to the provider's license at the child care facility~~
29 ~~the provider's rates and discounts or scholarship policies, if any.~~

30 ~~(h) An alternative payment program shall verify provider rates~~
31 ~~no less than once a year by randomly selecting 10 percent of~~
32 ~~licensed child care providers serving subsidized families. The~~
33 ~~purpose of this verification process is to confirm that rates reported~~
34 ~~to the alternative payment programs reasonably correspond to~~
35 ~~those reported to the resource and referral agency and the rates~~
36 ~~actually charged to nonsubsidized families for equivalent levels~~
37 ~~of services. It is the intent of the Legislature that the privacy of~~
38 ~~nonsubsidized families shall be protected in implementing this~~
39 ~~subdivision.~~

- 1 ~~(i) The department shall develop regulations for addressing~~
- 2 ~~discrepancies in the provider rate levels identified through the rate~~
- 3 ~~verification process in subdivision (h).~~